



**Free for all?**  
**Is there a future for universal services?**  
**The Case of Schools**

**Presentation to the ACOSS 2003 National Congress: Piercing it together**

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There are many reasons why we must struggle to have a universal schooling system into the future.

## **1. Public education provides both public and private benefit.**

The private benefit is generally perceived in economic terms, with a clear connection between level of education and future earnings, although it should also be noted that there are clearly other benefits, including health, well being and so on. These benefits are not evenly distributed across the socioeconomic spectrum.

Low income groups show poorer health, higher infant mortality rates and a higher incidence of common diseases. Their children fare worse at school, are less likely to stay beyond the compulsory leaving age, are less represented in tertiary education and have poorer prospects for both finding and retaining jobs. All this has an adverse bearing on their quality of life and, if left unchecked, is likely to be transmitted to the next generation. (Boss P. et al (Eds) (1995)Profile of Young Australians)

Given this, there are, of course, many good grounds from a purely social justice and equity perspective as to why public education is important. However, today I am going to concentrate on the public good arguments.

## **2. The Public Benefits of Public Education include :**

- Economic benefits

For instance, in his highly influential “The Wealth of Nations” Michael Porter said:

Education and training constitute perhaps the single greatest long-term leverage point available to all levels of government in upgrading industry. Improving the general education system is an essential priority of government and a matter of economic not just social policy” (Porter, 1990, p. 628)

Recent reports from organisations such as the OECD, (OECD, 2001), the recent Commonwealth Report “Australia’s Teachers: Australia’s Future” (2003), and the Australian Council of Deans of Education (ACDE, 2001), suggest that the importance of education as we move into what is being termed “The Knowledge Economy” will, if anything, become even greater.

For national economic reasons alone, expenditure on education must be considered an investment rather than a cost.

- Social and cultural benefits

Public education is fundamental in shaping a country. At its best, it creates continuity from one generation to the next, whilst blending the new and differing elements emerging in a society. It should play an important role in transforming a society, and giving all a “fair go” regardless of social background.

As Professor Alan Reid puts it:

“... public schools turn a group of people with a host of differences into a civic entity called a public” (Reid, 2003a)

He goes on to say:

This has always been an important purpose of public education, but never more so than at a time when the increasing diversity of Australian society, allied with the tensions brought about by some of the consequences of globalisation and by terrorism, threatens to fan suspicion and fear and drive people back into homogenous groups. (Reid, 2003a)

So this too is more important than ever.

The relationship between crime and education is also well established.

A NSW Bureau of Crime Statistics and Research study found:

...evidence of a negative association between criminal activity and unsuccessful senior high school completions, and positive associations between criminal activity and unsuccessful senior high school participation. The analysis suggests that labour market and education policies have the potential to significantly reduce property crime. (Chapman and others, 2002, p.1)

The Annual Report of the NSW Department of Corrective Services 1997/98 stated that “approximately 85% of the inmate population did not complete Year 10 at school”.(NSW, p.31) The 2000/2001 Annual Report stated that “at least 60% of inmates entering the correctional system have low to non-functional literacy, numeracy and communications skills”. (p.7)

A study in three states of the USA conducted by the Correctional Education Association (CEA) and funded by the U.S. Department of Education, Office of Correctional Education (OCE), found that 'the effect of correctional education on recidivism varied across states with all states showing a reduction in recidivism in the analyses.' (Steurer and Smith, 2003, p.17)

Given the connection between retention in school and socioeconomic status (as noted below), this clearly indicates there is a social cost in not addressing disadvantage.

Thus, suggesting there is choice as to whether we invest in schools or in prisons is not putting the problem too unrealistically.

- Political

The role of education in creating a citizenry and furthering democracy is equally important and understood. John Ralston Saul describes public education as “the single most important element in the maintenance of a democratic system”, and

argues that accepting we cannot afford to educate our citizenry is “a suicidal and lunatic policy position” (cited in Adams, 2003).

Again, it is clear that this is very important at this time.

### **3. Maintaining a Universal System**

Given this background, one might assume that the maintenance of universal public education could be taken as given, and that keeping support for it is easy! I am afraid that is not the case!

Universality in education requires a system which is not only universal, but accessible and equitable to all, and which seeks to be transformative.

The National Goals of Schooling (The Adelaide Declaration, 1999) have at least got the rhetoric right, when they say:

Australia’s future depends upon each citizen having the necessary knowledge, understanding, skills, and values for a productive and rewarding life in an educated, just and open society. High quality schooling is central to this vision.

and

Schooling should be socially just, so that students’ outcomes from schooling are free from ...differences arising from students socioeconomic background or geographic location.’

But again, unfortunately, the practice does not live up to the ideal.

In 1976, R.T. Fitzgerald, a Commissioner in the Henderson Inquiry noted:

People who are poor and disadvantaged are the victims of a massive societal confidence trick. They have been encouraged to believe that a major goal of schooling is to increase equality while, in reality, schools reflect society’s intention to maintain the present unequal distribution of status and power. (Fitzgerald, 1976, 231)

Whilst there have been noble attempts to improve things since then, and for a time some real hope, the situation is again worsening.

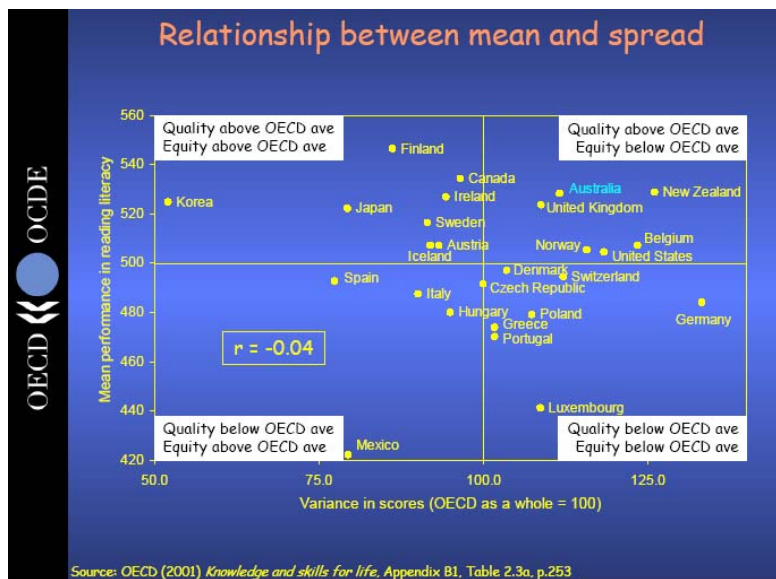
### **4. Australia’s Record.**

#### **4.1 PISA**

The Program for International Student Assessment (PISA) Report (Lokan, Greenwood and Cresswell, 2001) showed that the performance of Australian students is comparable with the best in the OECD. Only one country, Finland, performed significantly better than Australia in reading literacy. Only one country, Japan, performed significantly better than Australia in mathematical literacy. Only two countries, Korea and Japan, performed significantly better than Australia in scientific literacy. In reading literacy (the major focus of PISA 2000), Australia had one of the highest proportions of students of any country at the highest

proficiency level (Level 5) and one of the lowest proportions of students at the lowest level (below Level 1). If one places faith in such international comparisons then one has to argue that there is certainly no crisis in Australian education.

However, PISA also underlined one of the major areas in need of attention. On an international level, PISA reaffirmed the importance of socioeconomic background to student achievement, but it also showed that Australia is amongst those countries where socioeconomic background is a more important determinant – that is we score poorly on the issue of equity.

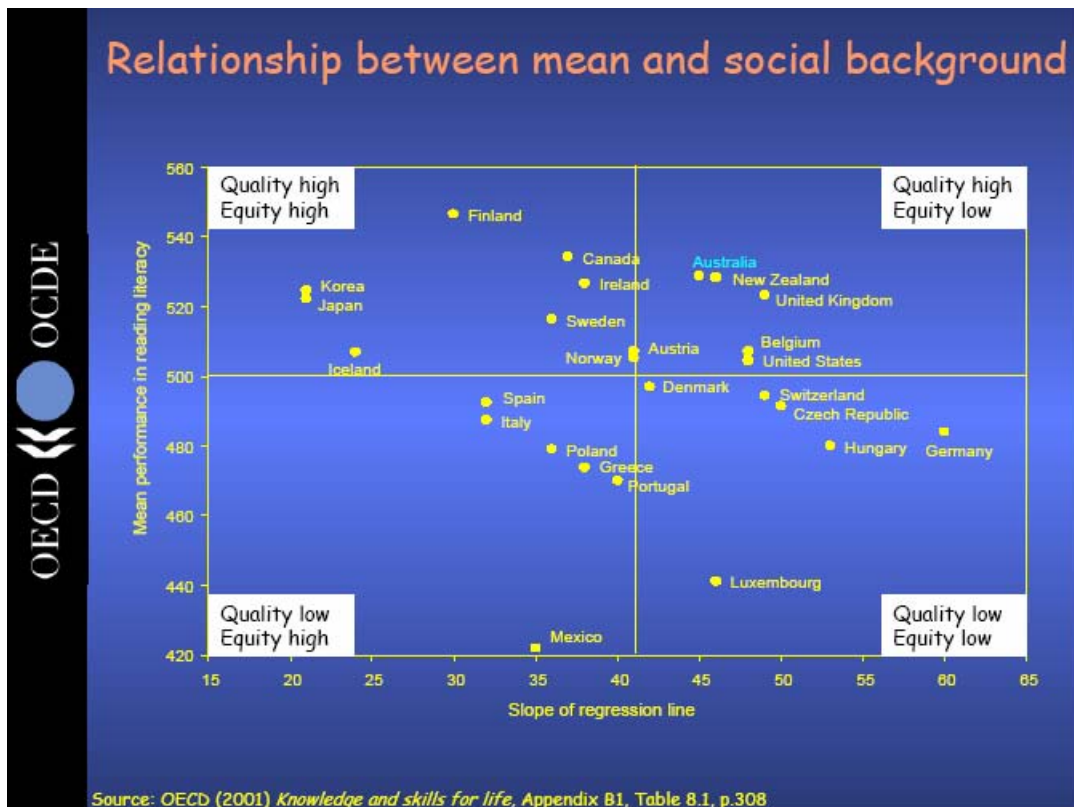


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It was found that, in Australia:

- the relationship between socioeconomic background and achievement in reading was above the norm;
- socioeconomic background, based on parents' occupations, was one of the most important student variables;
- variance in achievement between schools in Australia is largely explained by differences in socioeconomic background at both student and school levels;
- the social composition of a schools' student population was a stronger predictor of student performance than individual background;
- school related variables that were associated with student achievement were also dominated by socioeconomic background.

Thus this inequity was related to socioeconomic background



Countries such as Finland and Korea which produced better performances than Australia also had a smaller spread between high achievers and those not doing so well. As Dr. Barry McGaw, Director of the Education at the OECD puts it, “If you are going to be born in circumstances of poor family background, it would be better to be born in Finland, Korea, Japan or Canada, than in Australia...” (2002, Slide 37).

## 4.2 Participation and Completion

Another measure of the inequity in the Australian system relates to school participation and completion.

Retention and completion rates to the final year of school increased dramatically in the latter part of the last century. The retention rate for secondary school students to year 12, which was 30.6% in 1971, peaked at 77.1% in 1992. By 1999 it had declined to 72.3%.

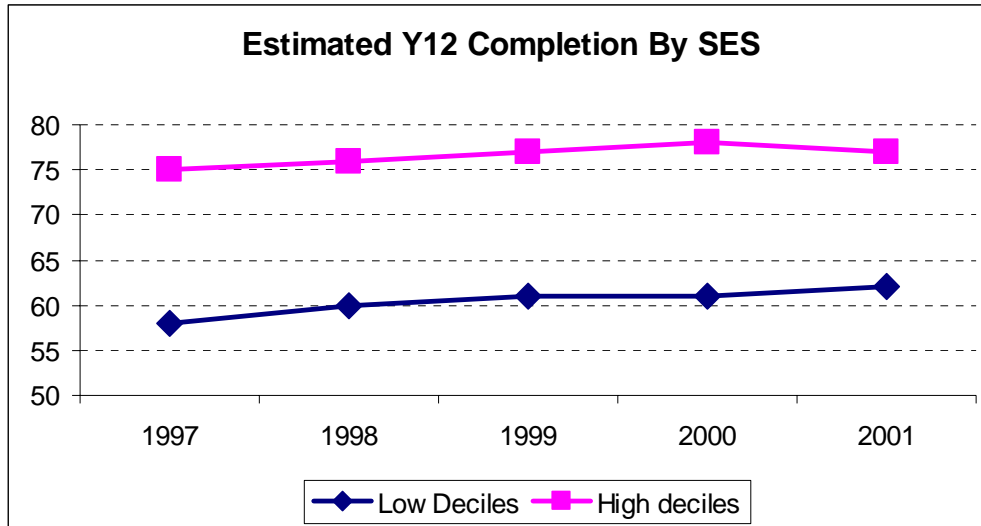
We know that school completion is very important to such things as future earnings, employment prospects, and so on.

- Labour force participation, employment prospects and wages rise significantly with length of time in school.
- About 270 000 students leave school each year. Approximately one third (85 000) leave before completing year 12. (DSF, 2002b, pp 1-3)<sup>1</sup>
- E. g. Seven years after Y12 only 7% of males who completed Y12 are unemployed, but 21% of Y9 leavers are.
- Seven years after Y12, 7% of females who completed Y12 are not in the labour force, but 59% of Y9 leavers are. (DSF, 2002b, pp.1-3)

<sup>1</sup> Caution should be used in interpreting the significance of this. It does not, for instance, mean that unemployment would be heavily diminished simply by getting everyone to complete school.

King (1999), on behalf of the Dusseldorp Skills Forum calculated the cost of early school leaving to the national economy at \$74 000 per student. The overall cost to Australia of one year's early school-leavers was estimated at \$2.6 billion. The Business Council of Australia have since worked with the Dusseldorp Skills Foundation on a series of papers outlining the cost of students not completing year 12 or equivalent and the economic benefits of increasing the number of students who do complete. (see DSF)

Completion rates are strongly linked to SES, as shown in this graph<sup>2</sup> (PC 2003).



#### 4.3 Indigenous Students

Despite some recent progress:

- In 2000 the retention rate for Indigenous students to Y12 was 36.45% compared to 73.3% for non-Indigenous
- 73.7% of Indigenous students achieved the Y3 literacy benchmark compared to 90.3% for all students
- At Y5 the figures are 62.8% and 87.1% respectively

With similar results in numeracy, and many other statistics.

(National Report, 2000, pp. 45-47)

#### 4.4 ACEE maps

Previous work from the Australian Centre for Equity Through Education mapped the clear cyclical relationship between income and educational achievement. (Mukherjee, 1996)

(Note: there are similar sets of slides for each capital city).

#### 4.5 User pays

Another aspect of inequity is the way in which the growing reliance on user pays is impacting on the participation of students from those families which are really struggling financially. This has been highlighted by a number of the organisations associated with ACOSS such as

<sup>2</sup> It should, however, be noted that recent work by ACER has shown that early leavers who go directly to employment may do better than Y12 completers who do not.

Anglicare in Tasmania (Flanagan, 2000), the Brotherhood of St Laurence (Taylor and Fraser, 2003), Good Shepherd (Webster, 2002) and several others. These students become excluded from a range of activities and some times, even worse, are discriminated against in a number of other ways in order to put pressure on them to pay up.

Of course, I am happy to say, not all schools take this path. But there are problems for those schools that seek to overcome or ameliorate the impact; especially where they are those schools which are struggling with high concentrations of high needs students. The way they in effect suffer a double whammy of disadvantage is elaborated by Pat Thomson, formerly Principal of Paralowie in Adelaide:

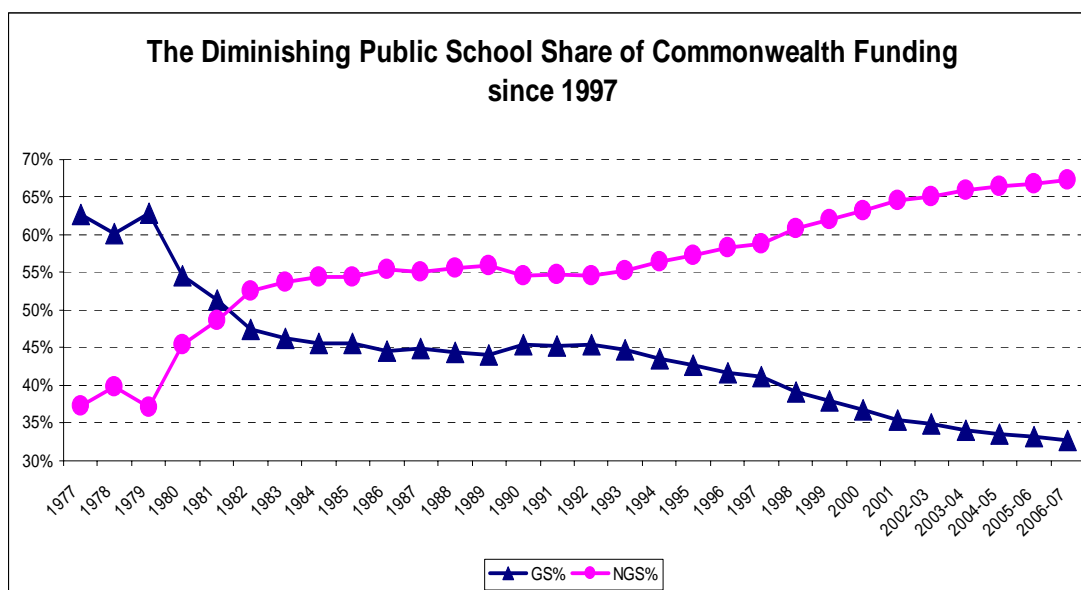
Many students have no money for educational expenses. A few schools in areas of very high unemployment find that the majority of their students cannot afford to pay for activities such as swimming, a visit to the theatre, the bus fare to work experience or for art materials to do their homework projects. In order not to single out those children, or to deny them these activities, these schools find themselves in the position where they have to provide everything at only token cost or completely free. This skews school budgets and programs. These rustbelt schools spend more money, of which they often have less, on things that do not appear in the ledgers of schools in other locations and they thus have little money for the things (such as computers) to which leafy, green schools devote large sums... (2002, pp74-75)

## 5. Private schools and Universality

It is in this context that I place private schools and the current trends in funding.

### 5.1 Funding

The Federal government, in schooling as in health, is subsidising private schooling as a way of pushing people to seek to afford private schooling. The increasing portion of Commonwealth Schools Funding going to private schools is shown in this Graph.

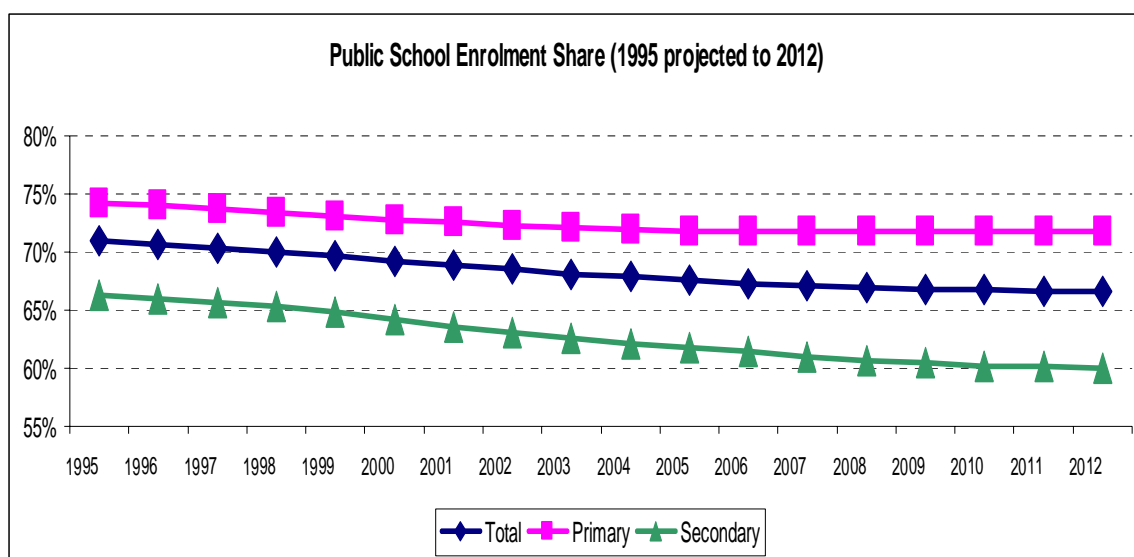


This year, for the first time, the Howard government will spend more on private schools than on universities. Budget forward estimates indicate that by 2006-07 it will spend nearly \$5½ billion on private schools, \$5.3 billion on Universities and only \$2.6 billion on public schools.

The information that we can obtain about state or territory funding suggests that private schools are also benefiting by shifts in funding there. Public schools are not, as the Federal government likes to argue, being looked after by state or territory governments either.

## 5.2 Enrolments

The way in which this is residualising the public system and undermining universality can be seen in the enrolment data.



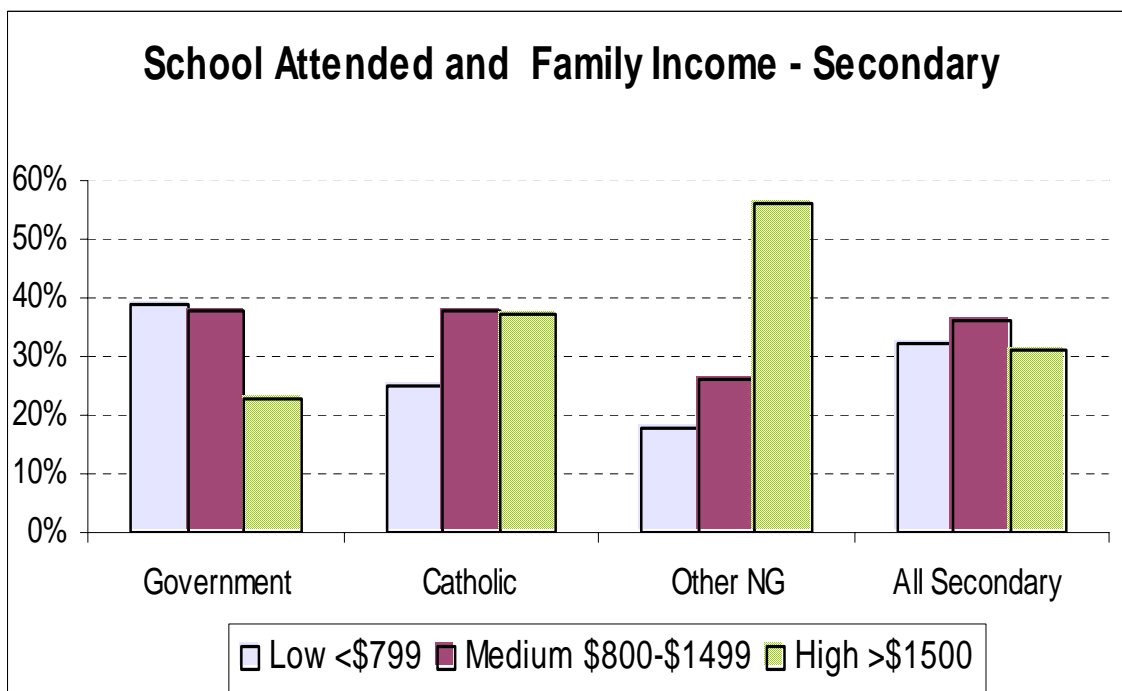
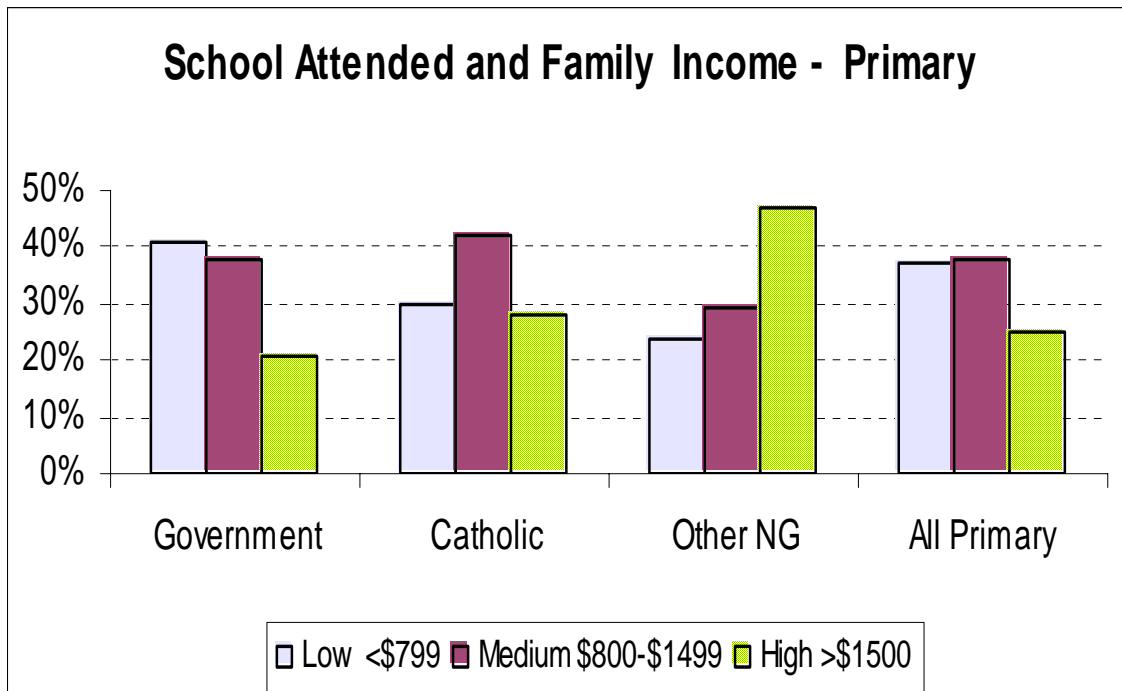
It should be noted that this in fact hurts universal public education twice– not only do public schools become increasingly residualised, more and more people are paying (and unfortunately in some cases feel they have to struggle to pay) for schooling.

## 5.3 Private schools and SES

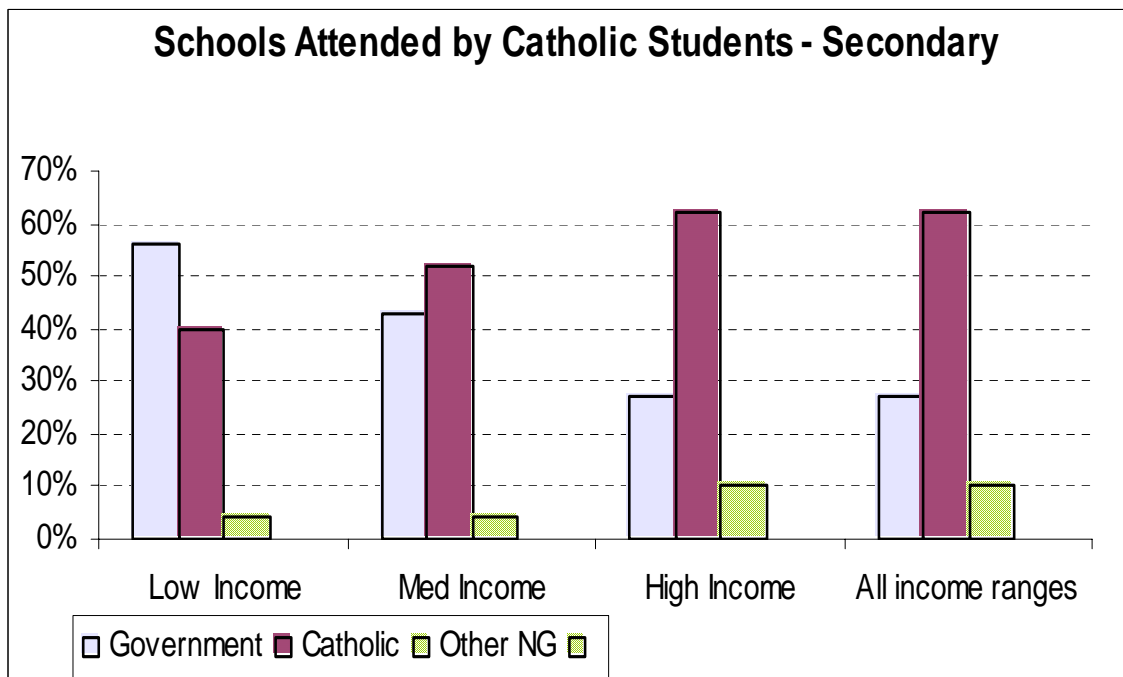
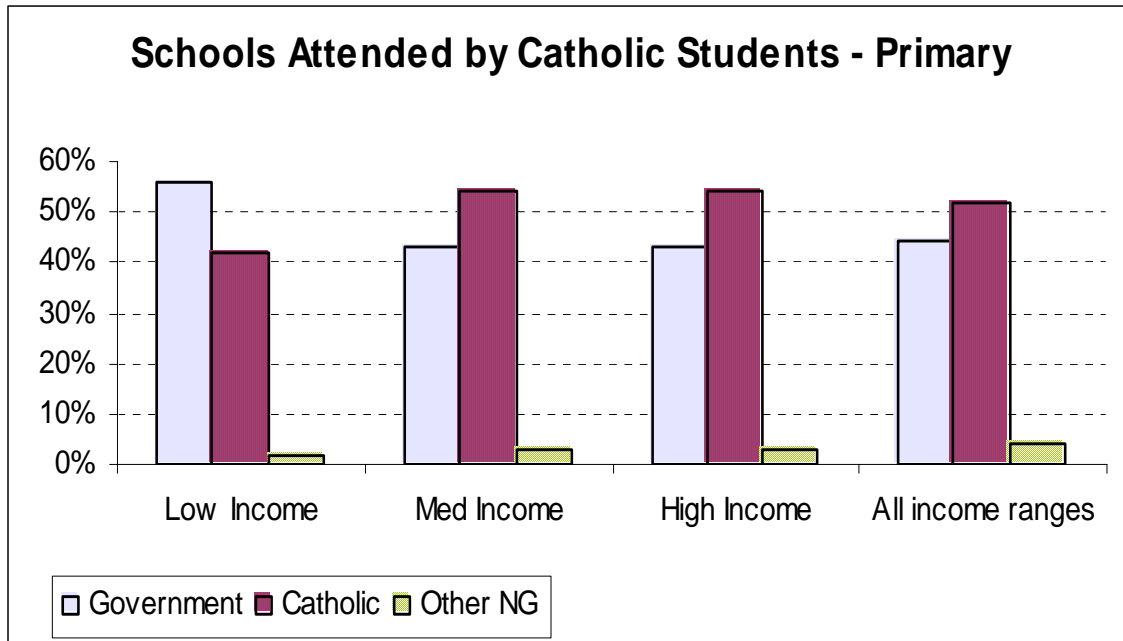
Private schools are not, of course, homogenous, and it is possible to find an individual private school to illustrate any point one wishes to make, whether it be about their wealth or their poverty. I am not suggesting there is a clear line with private schools on one side and public schools on the other. The situation is much more complex than that. For instance, one of the effects of private schools is to “stretch out” the range of public schools as those in the more wealthy communities seek to keep up with the private pacesetters. However, the data does show a noticeable pattern that the students attending private schools are in general the more wealthy representatives of any group.

Thus there is a clear link between;

- income and attendance at private school



which applies even to students of Catholic families.



## 5.4 Private schools and special needs

The same applies in regard to special needs groups.

- Nearly 88% of Indigenous students attend public schools
  - 4.5% of students in public school are Indigenous compared to 1.4% in private schools
- 82% of students with disabilities attend public schools
  - 4.1% of students in public schools have a disability compared with 2% in private schools
- 3.2% of students attending public schools live in remote areas compared to 1.2% for private schools
  - In secondary, the figures are 2.2% compared to 0.6% (National Report on Schooling in Australia, 2000, MCEETYA, Melbourne, various pages)).
- In regard to retention rates, most of the change noted above is in fact due to the changes in the retention rate in public schools. In 1981 the retention rate of government school students was 28.5%. By 1990 this had risen to 58.3%, and it peaked at 73.8% in 1992. By 2000 it had declined to 66.6%.

Therefore, any money directed at private schools is poorly targeted in equity terms.

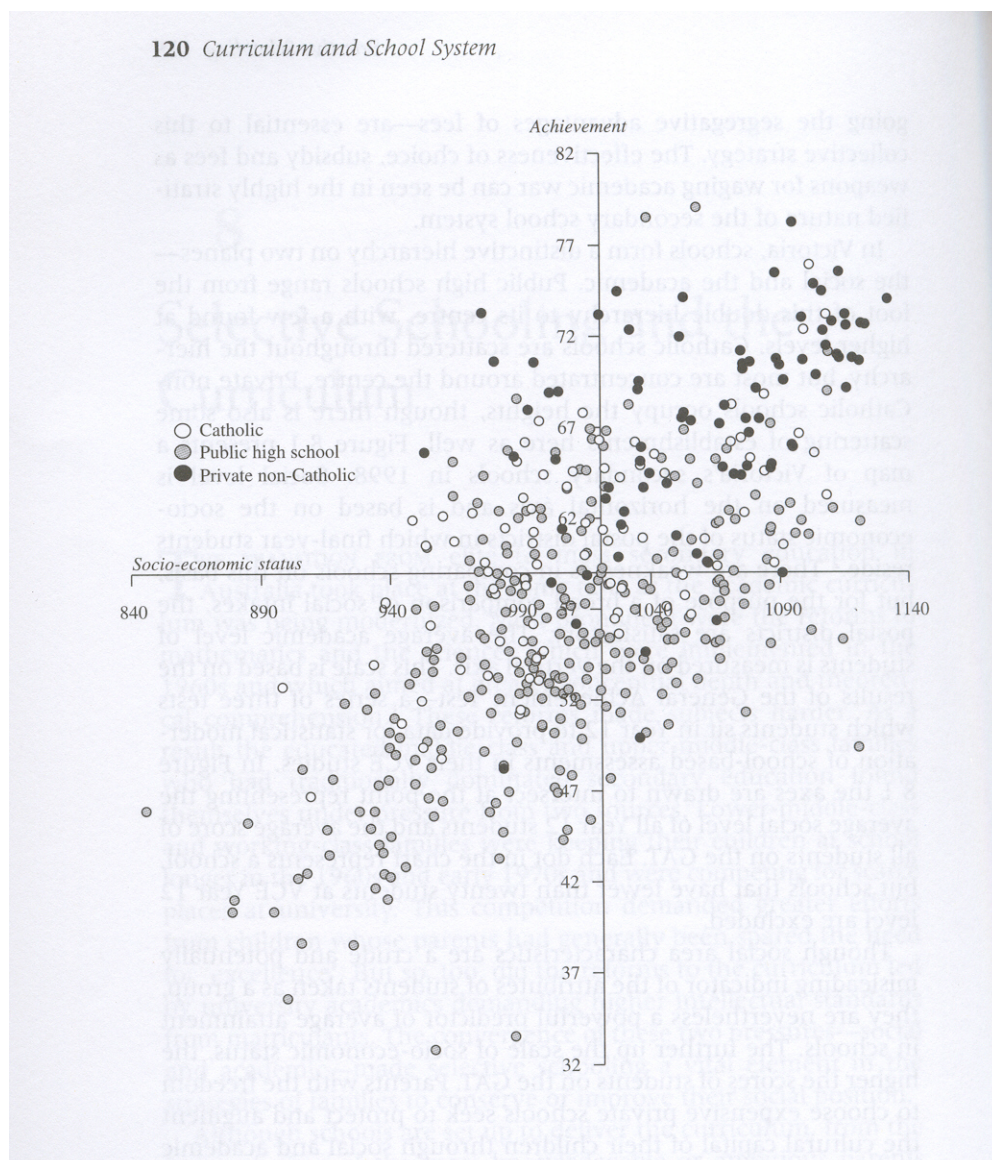
## 5.5 The AGSRC

And yet the legislation now indexes the funding for private schools to the Average Government School Recurrent Cost (AGSRC). This creates the absurdity that if the states and territories focus extra funding on disadvantaged or Indigenous students, then the funding for all private school students is increased. Thus any attempt by state or territory governments to deal with the appalling inequity in outcomes for Indigenous students, for instance, would increase the Commonwealth windfall to the likes of The Kings School, Geelong Grammar, Scotch College, and so on.

In effect, funding for the haves is indexed to the cost of educating the have nots.

In addition to this government funding, private schools and their parents are encouraged under the new system to add on what they can afford, creating huge disparities (some in the range of 300%) in resource expenditure between schools, further increasing the disparity between the “universal” public system and the selective private system.

The relationship between SES, academic achievement (in this case as measured by scores on the VCE GAT test) and school attended is shown in this slide from the book *Undemocratic Schooling* by Richard Teese and John Polesol. (2003)



## 6. The future

One could, of course, paint a similar picture of what is happening in tertiary education. The new University funding proposals, building on what has already happened, create a similar two tier system, with one standard of entry for those who can afford fees, and a harder one for those who cannot. TAFE, which is the one system whose benefits appear to run counter to SES, is struggling for funds to maintain its role.

All of this does not fill one with optimism for the future. Despite the continued excellence of the system which is genuinely universal, all of the pressure is to undermine and residualise it.

It can only survive if the relationship between the two sectors is fundamentally re-examined, but this must be done from the perspective of the overriding public policy imperative of achieving more equitable outcomes from the schooling system. Proposals which are based on making some public schools able to compete with private schools, such as those made by Caldwell and Roskam (2002), are approaching things from the wrong angle. Creating havens

of selectivity and exclusiveness within the public system so that the already advantaged can pursue the inter-generational transfer of this advantage without paying for it is not the answer. The deleterious effects of setting up public schools as autonomous competing entities had become all too apparent in Victoria by the time the Kennett era was ended. Nor should means testing parents of students in public schools be dressed up as a social justice initiative. Eventually those who pay the piper call the tune.

More recently, Alan Reid (2003b) whom I cited several times above, has come up with proposals for an “education commons”.

The Commons would be a space defined by foundational public principles, such as tolerance and respect for diversity. To receive public funding, schools would have to demonstrate their commitment to these principles. The focus must move from education systems to the concept of the publicness of education. Instead of focusing on funding, the debate should focus on a redefined notion of the common good. (ACDE Media Release: Redefining the public/private debate in education October 2003).

This is an important proposal and should spark a significant debate about whether and how it is possible to make the private school system better serve the public interest, though the exact implications are not as yet clear. What is clear is that their current level of accountability is totally out of balance with their level of funding. (See Aulich, 2003)

More importantly for the immediate future is the fact that we are not only due for a federal election soon, but that the States Grants Legislation, under which the Commonwealth government legislates its iniquitous funding arrangements, has to come into Parliament for renewal within the next few months.

The AEU will be campaigning vigorously around both of these, and has some clear proposals of what must be done to make things fairer.

It will be a crucial time for free universal schooling in Australia.

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